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**Minister's Council on Local Development
First Report to the Minister of Municipal Affairs
Findings from the Public Forums**



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Goals of the Local Development Initiative

Define government's role in revitalization

Define actions government must take to serve its role

Develop and deliver initiatives to meet the needs of the people

Minister's Council Terms of Reference

In conducting its review, the council may:

- *conduct public forums;*
- *invite public submissions;*
- *research relevant issues;*
- *consult with any person or group.*

The council shall report to the Minister of Municipal Affairs according to the following schedule:

- *draft report for public review — October 1, 1990;*
- *final report — November 6, 1990.*

INTRODUCTION

Over the past several decades most of Alberta's smaller communities have experienced reductions in their population base. Several shifts in social and economic trends have played a part in rural depopulation, many of which are discussed in the section entitled "Communities in Transition."

In response to depopulation in these smaller communities, the Local Development Initiative was conceived by the provincial government as a starting point for a partnership in revitalization between Alberta's communities, its people and the provincial government. The primary **goals** of the Local Development Initiative are three-fold:

- *To define the role that government should be playing in small community revitalization;*
- *To highlight actions that government should be taking to best serve that role;*
- *To develop and deliver initiatives that will fulfill government's role and meet the needs of the people in Alberta's small communities.*

The Local Development Initiative was designed by government as a two-stage process. The first stage of the program was *the strategy stage*. During this stage some twenty government departments involved in programs and policies affecting small communities will conduct an internal review of policies, procedures and programs. At the same time, the Minister's Council on Local Development, appointed by the Minister of Municipal Affairs, was given a mandate to carry out discussions with people in Alberta's communities, and gather the ideas and concerns about revitalization. The ministerial order empowering the Minister's Council on Local Development to act on behalf of the Minister of Municipal Affairs cites the following terms of reference:

The council shall review the issues, concerns and opportunities on local development in light of trends in Alberta and other jurisdictions. Based on the findings from a province-wide public participation process, the council shall provide to the Minister of Municipal Affairs the ideas of Alberta's communities towards developing a coordinated provincial strategy for local development.

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- *research relevant issues;*
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INTRODUCTION

The objectives set for both the internal and external review were four-fold:

- *To identify legislation and regulation that inhibits development in Alberta's small communities;*
- *To evaluate the effectiveness of government programs in supporting and promoting development of and in these communities;*
- *To assess the impact of the organization of government on the capability of communities to promote revitalization; and,*
- *To identify opportunities to introduce new resources, or more effectively use existing government resources to assist individual communities in promoting revitalization.*

The findings documented in this first report to the Minister of Municipal Affairs comprise the comments and concerns gathered by the Minister's Council in twenty-three forums held throughout the province. In those forums approximately 800 participants represented over 250 communities and special interest groups. The Minister's Council believes that these findings provide a thorough community perspective in addressing the first two goals of the Local Development Initiative, and also provide that same community perspective in meeting the four objectives of the *strategy stage* of the Initiative.

Objectives of the Local Development Initiative

Identify legislation and regulation that inhibits development

Evaluate the effectiveness of government programs

Assess the impact of government's organization on community capabilities

Identify opportunities to introduce new resources, or more effectively use existing government resources



COMMUNITIES IN TRANSITION

Global Change

Accelerated global changes are impacting Alberta's smaller communities with forces with which they are ill-equipped to deal. Social and economic factors arising from various sources, including new technology, trading realignments, demographic forces and political change, threaten the lifestyle to which small communities are accustomed. Even changes in climate, environmental regulations, energy costs and government fiscal flexibility are placing more emphasis on adjusting to the times.

Resource Dependence

Resource industries like forestry, petroleum and agriculture have been the basic engines of rural economic activity. Now they are facing dramatic changes. Because they are affected by unstable world markets, these industries have been forced to adopt new technology requiring many adjustments in resources: both human and mechanical. Lumber market instability, combined with rising input costs, have forced many smaller firms, and consequently many communities, to seek other alternatives. Prices, challenges regarding industry practices and new exploration technologies have influenced the same type of changes in the petroleum industry.

Farming Population Declines

Agricultural production, historically a mainstay of most rural communities, has moved to large-scale operations in an effort to provide adequate family earnings. As the size of the farm steadily increases, whether the industry faces a profitable or unprofitable period, the requirement for farm labor declines. Debt has increased as farms are handed from generation to generation; and operating losses and acreage expansion have required recapitalization and off-farm employment. Meanwhile, at the supermarket, comparatively low food prices contribute to consumers being able to enjoy one of the world's highest standards of living. Some farmers enjoy this improved standard of living, while a significant segment are financially stressed and vulnerable to market or weather adversity.

New Social Demands

An aging, health-conscious population requiring increasing medical care has created new demands and opportunities for the service sector in Alberta's smaller communities. This aging trend has also created an obvious need for new human resource development activities to deal with changing work environments and career demands. Provision of quality-of-life services for all ages has strained the tax base of most municipalities as demands increase for physical infrastructure, building and maintenance.

Status Quo Versus Change

The challenge of adjusting to the forces of social and economic change has created a higher demand for planning and flexibility in developing and innovatively utilizing the extensive infrastructure in Alberta's communities. Rural people, characteristically bastions of the status quo, are not always ready and able to embrace and implement change. Constant change in technology and trends has hindered small communities from developing the tools to anticipate and respond to forces outside of their communities. Often this creates a perception that change is being unnecessarily imposed on them.

Future Revitalization

Rural communities cannot be written off based only on the population shifts of the past ten years. In fact, these communities have survived a series of blows unprecedented in 50 years. A general economic recession, trade battles on lumber products, droughts, devastating grain prices and declines in oil and gas exploration have combined to test the staying power of many regions and businesses. After this decade, anyone who forecasts a permanent decline of rural communities does not understand their key strength: a determination to sacrifice for today to flourish tomorrow. Roots are deep and long-term success is the goal.

Renewed action to empower these communities to adapt to global changes and diversify their economic activities could rapidly and easily alter population trends. The telecommunications revolution will bring them closer to more people, and bring in more people



A COORDINATED PROVINCIAL STRATEGY FOR LOCAL DEVELOPMENT

Governments around the world face the challenge of creatively matching limited revenues with higher people service demands. Alberta's enviable strength in resources, access to world markets and well-equipped primary industries serve as a starting point for future local development and diversification.

The Minister's Council on Local Development has listened to many citizens of small communities and developed a strategic approach for government to consider in formulating objectives and actions. Within the financial realities that must be dealt with over the coming decade, the Minister's Council sees this strategy as providing a direction that will benefit all stake holders in small community revitalization. Governments will benefit by seeking partners in the revitalization process who are prepared to work toward assisting citizens of small communities to do for themselves that which they are willing and able to do.

A Strategic Approach to Local Development Initiatives

The Minister's Council on Local Development believes that Albertans have called for a local development strategy that will promote *balanced provincial growth*. Balanced growth can provide opportunity for all citizens to enjoy quality of life and local economic development. This can best be accomplished by responding to priorities established by individuals and communities within a regional development structure. The pillars of this strategy are as follows.

1. *Balancing Community Concerns*

- Albertans wish to blend their preferred quality of life with improvements in local development.
- Communities have stated that local development initiatives should be matched to the desires, qualities and capabilities of the community or region.
- Albertans believe that planning for local initiatives over a longer time period should not be influenced dramatically by political cycles at any level of government.
- Leadership at the community level can create the positive attitude that will lead to innovative, long-term approaches to problem-solving.

The Pillars of a Local Development Strategy

Balancing Community Concerns:

- *a blend of rural lifestyle with local development improvements*
- *initiatives that complement the community*
- *no influence of political cycles*
- *focus on effective community leadership*

A Province-wide Perspective:

- *champion the uniqueness of rural Alberta*
- *equal opportunity based on level of initiative*
- *positive provincial action will stimulate adjustments to the effects of provincial, national and global economic issues*



Growth Sources — Internal and External:

- *a stable economic climate will increase viability of existing business*
- *government should stimulate new business, not create public sector competition with private sector*
- *Accelerated initiatives based on natural resources will encourage new business to locate in Alberta's resource-based communities*

Opportunity in Alberta:

- *untapped potential as a producer of high-quality products and services*
- *business must be able to compete within flexible regulations*
- *encourage individuals to respond to new opportunities*
- *social programs should not become a disincentive to individual or community initiatives*

A COORDINATED PROVINCIAL STRATEGY FOR LOCAL DEVELOPMENT

2. Province-wide Perspective

- Albertans are proud of the many natural features of rural Alberta, and are supportive of a strategy which champions this uniqueness to Albertans, Canadians and the world.
- Albertans believe that all regions are important parts of the whole, and each community should be afforded equal opportunity for enhancement based on their demonstrated level of initiative.
- Albertans recognize that provincial, national and global economic issues affect small community growth opportunities, and that positive provincial action is required to stimulate the necessary adjustments.

3. Growth Sources — Internal and External

- Business people within Alberta communities believe that a stable economic climate will increase long-term viability of existing businesses.
- Albertans believe that government assistance should stimulate new private business, not create government-driven direct competition with existing private sector business.
- Most communities believe that accelerated local initiatives involving our natural resources will encourage new businesses to locate within regions where these products are now available. New growth will come from increased processing of these natural resources.

4. Opportunity in Alberta

- Community leaders believe that Alberta has much untapped potential as a producer of high-quality products and services.
- Business must be allowed to compete within the framework of flexible regulations, and support should not be given in the form of market-distorting subsidies.
- Individuals should be encouraged to respond to opportunities which arise from new technologies, markets and trends.
- Social programs should not become a disincentive to individual or community initiatives.



PRINCIPLES TO STIMULATE LOCAL DEVELOPMENT

The Minister's Council on Local Development has, from the concerns and ideas expressed by the people of Alberta's communities, developed these ten principles to stimulate local development. They are presented to serve as a guideline to government in setting priorities and designing initiatives to respond to the needs of the people.

- I. Local initiatives should determine responses and actions of departments so that government can effectively meet the expectations of the people.
- II. Local government should be given more responsibility and authority for local initiatives.
- III. The provincial government should develop and communicate a long-term plan/direction which coordinates and streamlines departments to achieve their stated goals for local development initiatives.
- IV. Government should ensure communities/regions have equal opportunity to attract development projects which have provincial support.
- V. Government needs to facilitate and promote investment by local citizens in development projects.
- VI. Funding mechanisms should respond to the reasonable needs of the communities, and reflect the varying local costs of meeting those needs.
- VII. Government should encourage and support regional and inter municipal cooperation in local development initiatives.
- VIII. Authority to administer policy and programs should be delegated to the lowest levels possible within government departments to ensure accessibility to decision-makers at the community level.
- IX. Government must improve its responsiveness to local communities through improved communication at all levels.
- X. Government should encourage and promote a positive image of rural and small town Alberta.

Drive government actions and responses by local initiatives

More responsibility to local government for local initiatives

Develop long-term plans to streamline government departments

Equal opportunity to all communities to attract government projects

Promote local investment in local initiatives

Provide funding that is responsive to community needs and local costs

Promote cooperation between communities in development initiatives

Bring program decision-making closer to the communities

Improve communications at all levels

Promote a positive image of rural Alberta



GOALS OF ALBERTA'S COMMUNITIES

While expressed, perhaps, in many different ways, Alberta's small communities identified five goals by which they will be guided in paving the way for future revitalization.

*Preserve the lifestyle
provided in a small
community
environment*

1. *To preserve the lifestyle provided in a small community environment*

To members of small communities, theirs is the best lifestyle possible. Development for the sake of preserving that way of life is most welcome. Development which would encroach upon it would not be welcome, or supported.

*Provide a level of
quality-of-life amenities
that meets the needs
of the people*

2. *To provide a level of quality-of-life amenities that meets the needs of the people*

Community residents recognize that a small population base does not provide resources sufficient to support amenities at a level available in larger centers. However, acceptable levels of services must be maintained to assure preservation of their lifestyle, and continuous but controlled growth.

*Foster continuous,
controlled growth*

3. *To foster continuous, yet controlled growth*

Alberta communities welcome the new ideas and skills that come with residents who migrate from other areas of the province. But overall, they believe most of their economic growth will come from within the community.

*Build a stable, long-
term financial future*

4. *To build a stable, long-term financial future*

Albertans in small communities would like to see sufficient development to ensure a financial base adequate to support the other goals that will guide them in revitalization.

*Preserve and care for
the environment*

5. *To preserve and care for the environment*

Local communities believe they know best how to tend to the needs of their environment, because they have a great deal at stake if it is threatened or abused.



PROBLEMS AND OPPORTUNITIES

Communities expressed considerable concern and frustration about their dealings with many government programs and procedures. There appeared to be considerable agreement among community leaders on the role of government in the partnership needed to assist in local development initiatives. These were:

- Being accessible and responsive
- Providing quality-of-life services
- Supporting, not dictating, community activities
- Stimulating economic growth
- Showing leadership by example

The Minister's Council has listened and we believe the following discussion of problems and opportunities for action represents the communities' views as we heard them. ***The statements in bold print were thoughts and issues identified by the communities.***

They have been placed in context, but not necessarily in any order of priority. This is what the communities said.

Being accessible and responsive

Providing quality-of-life services

Supporting, not dictating, community activities

Stimulating Economic Growth

Showing leadership by example



PROBLEMS

*lack of coordination
between government
departments*

*lack of knowledge and
information about
government
departments*

*complicated forms and
procedures*

*lack of access to
department decision-
makers*

*volunteers experience
a high burn-out rate*

*the processes, in
general, are not user-
friendly.*

PROBLEMS AND OPPORTUNITIES

Being accessible and responsive

The Problems

Small communities throughout Alberta expressed frustration in trying to deal effectively with government in many program areas.

Albertans who deal regularly with community business often discover and must contend with *lack of coordination between government departments* on certain issues. While one department may clear a community to proceed with an action, another department will frequently intercede with additional regulations that must be met before that action can be completed.

This may partially result from the fact that Alberta's small communities suffer from a *lack of knowledge and information about government departments*, their responsibilities and programs. These people recognize that they are not fully informed and believe that it is the responsibility of government to develop and utilize lines of communication to assist communities in making the most of government programs and policies.

Complicated forms and procedures present another major obstacle to people responsible for dealing with government departments. Community representatives often find themselves gathering what appears to be redundant information, and seeking clarification on instructions that are written more for legal requirements than as simple instructions.

When a serious problem or roadblock is encountered, there is a *lack of access to department decision-makers*. Those who are in a position to respond to the needs of a community are busy in a place far away dealing with their regular daily responsibilities. Department administrators responsible for the delivery of these services do not have the authority to make the necessary decisions.

Small communities have a high dependence on volunteers who are experiencing a high burn-out rate. Their time is valuable to the community, and very limited. There is no point in taking time to learn complex forms and procedures when they are (a) usually encountered only once by any volunteer, and (b) unnecessary to meet the objectives of the program. Neither do these volunteers have time to search for information, answers or people with authority to make decisions. The processes, in general, are not *user-friendly*.

Alberta's communities, for the most part, acknowledge that government has made efforts to improve accessibility. There are scores of government offices set up throughout the province to provide accessibility. But true accessibility is not improved by the presence of such offices; when program information is not communicated; when the program is not attached to the department represented in the local office; when there is no authority within those offices to make decisions on behalf of government; and when they must continue to use complicated procedures and forms.



PROBLEMS AND OPPORTUNITIES

The Opportunities

Alberta's communities are looking for a *one-window access to government and its programming*: A window that will: volunteer information on new programs; provide answers on existing programs; assist with applications and procedures; and deal with all government departments involved in a program.

These communities are also looking for *less complicated forms and procedures* ("red tape") in programs. Moving the program forms and instructions down from the lawyers to a panel of users for review and suggestions before printing might improve on this problem.

Alberta's communities also see an overall need for *more coordination between government departments*. There appears to the communities to be a voice for every department — all of which seem to have their own philosophies and priorities. Approval from one department should be sufficient. Government departments should get together and decide who will administer what before the public is subjected to two or more masters on any one issue. Communities felt that when two departments must be involved in certain areas, then government should establish clear-cut procedures for dealing with responsible departments, and convey that procedure to the community representatives.

Programs should be designed with more flexibility for individual community circumstances, allowing people appropriate authority. People at a level closer to the user communities should be empowered to take advantage of that flexibility for the benefit of the community and its people.

A closely related response to this issue would be to *maintain access to MLAs*. MLAs and local elected officials should be involved more directly in the planning of local development initiatives.

On the technology side, communities see a number of opportunities to *enhance the lines of communication with government*. Expansion of the RITE system, all-province toll-free calling and an "800" number to a central information source were alternatives mentioned with notable frequency.

Accessibility and responsiveness appeared to be very important to Albertans in small communities.

OPPORTUNITIES

one-window access to government and its programming

less complicated forms and procedures ("red tape")

more coordination between government departments

programs should be designed with more flexibility for individual community circumstances

maintain access to MLAs

enhance the lines of communication with government

PROBLEMS

access to health services support is declining in many small communities

limited provision for emergency services

professional people extremely hard to attract and retain

lack of access to post-secondary educational opportunities

threat posed to communities that undergo school closings

loss of youth to larger centers is one of the major concerns of rural Alberta

lack of leadership in development related to recycling, conservation, and other environmental issues

PROBLEMS AND OPPORTUNITIES

Providing quality-of-life services

The Problems

Residents of Alberta's small communities, like those of urban and large metropolitan areas, appreciate the quality of life available to them. However, some of those basic services that make up the foundation of that lifestyle, are spread very thin in some small communities. Communities recognize that it is not possible to provide superior levels of all services in all residential clusters throughout the province because of fiscal realities and distances. ***Access to health support services is declining in many small communities.*** In many communities patients have to travel (or be transported) many miles to receive adequate care. This is inconvenient and very costly.

Closely related to that concern is the equally ***limited provision for emergency services*** (fire, police, ambulance). "911" emergency systems are virtually unheard of in smaller communities. And, in some areas, residents incur toll charges to reach emergency services.

Professional people are extremely hard to attract to and retain in rural Alberta. The fact is, when a small community loses a professional person — be it a doctor, dentist, lawyer or other necessary service — it is likely losing its sole access to that service.

The lack of access to post-secondary educational opportunities continues to create deficiencies in the skills needed in small communities. And, at school levels that are accessible to these smaller communities, ***there is a great threat posed to communities that undergo school closures.*** Closing of a school is perceived to be the death knell of communities. At the same time, some note was made of the excessive number of school jurisdictions.

There is a lack of funding available to operate valuable recreational facilities. Some of the facilities were developed through encouragement to use capital grants with little regard to the costs associated with its operation.

Loss of youth to larger centers is one of the major concerns in rural Alberta. Without adequate services and new job opportunities, this will continue the depopulation of Alberta's small communities.

There is a lack of experience and knowledge in technologies that will provide an environmental service to communities, and there seems to be ***a lack of government leadership in developing services related to recycling, conservation, and other environmental issues of concern to all Albertans.*** There is a threat that small communities will fall further behind in the technology that will prevail in the coming decades.

PROBLEMS AND OPPORTUNITIES

These concerns go far beyond issues of comfort and convenience to small communities. Some must make minor adjustments in their plans to achieve a steady rate of growth, while others must take great strides to meet the challenges ahead. All of Alberta's communities share a desire to grow. To grow from within, they must provide the services that will aid in the retention of existing population.

The Opportunities

Residents of small communities see a number of additional actions that could be taken to enhance the levels of these "quality of life" services. Leaders in Alberta's small communities recognize that local fulfillment of all of these services is beyond reasonable expectation. Communities see an opportunity to *improve access to services through cooperation and development at a regional level*. Sharing of services between communities would greatly improve accessibility, would equalize opportunities among communities, and would stimulate further regional cooperation for community revitalization.

School curriculums should be enhanced with programs to prepare today's youth with the challenges of tomorrow's small community. Entrepreneurial skills and an introduction to municipal/provincial government relationships were two such examples. These young people will not necessarily be groomed to take over their parents' farming operations, but they can still be groomed to be "job makers," as well as "job takers."

Communities must play an active and influential role in the future of their existing education facilities. But, governments must also play an active role in assessing school requirements and striking a balance between financial prudence and social need. However, communities did emphasize that government must be most cognizant of the potential impact of school closures on a community, and become more involved in the evaluation and action process.

Distance education programs should be encouraged and sponsored by government. Institutions should take on the responsibility of educating all people in all areas of Alberta.

There is *a need for a program to attract professionals to small communities*. Attracting professional people to Alberta's small communities is an area that requires government interest and initiative.

Funding for both development and maintenance of recreation facilities should be a key focus for government. This make it easy for communities to apply their discretion in planning and developing facilities for their youth and families.

In summary, communities expressed a need for government to support the efforts of local initiatives by communities to improve the quality of life.

OPPORTUNITIES

improve access to services through cooperation and development at a regional level

enhance school curriculums with programs to prepare today's youth with the challenges of tomorrow's small community

communities must play an active and influential role in the future of their existing education facilities

distance education programs should be encouraged and sponsored by government

a program to attract professionals to small communities

funding for both development and maintenance of recreation facilities



PROBLEMS

*government too involved
in setting the priorities on
issues of a local nature*

*lack of flexibility in
programs and grant
structure needed to
meet the needs of
individual communities*

*local initiatives are
driven and dictated by
short-term grant and
program commitments*

*higher costs in distant/
remote communities
add to difficulty in
providing basic services*

*small communities must
absorb additional
inflationary costs*

*government funding
does not support
maintenance costs*

*additional
responsibilities passed
to the community
without additional funds*

PROBLEMS AND OPPORTUNITIES

Supporting, not dictating, community activities

The Problems

Participants in the public forums expressed frustration that government leadership focuses on what government thinks the communities require, rather than on what the communities know they require.

Government, they say, is *too involved in setting the priorities on issues of a local nature*. In making many decisions, leaders at the community level often encounter roadblocks thrown up by government regulations and interpretations of responsibility. While it is acknowledged that there are many programs that have been designed to assist local communities, there is a definite *lack of flexibility in those programs and in the grant structure that is needed to meet the needs of individual communities*. Government believes that programs and grants have equal value and meaning to all communities.

What makes the existing structure of grants and programs even more difficult to manage at the community level is uncertainty of future commitments from government. Communities do not believe they can become self-driven as long as *local initiatives are driven and dictated by short-term grant and program commitments*. Because of this uncertainty there is little incentive or foundation around which to build long-term community plans and actions.

Higher costs in distant and remote communities add to the difficulty of providing basic services. The per capita costs of providing basic services to community residents is excessive in comparison to those associated with larger centers.

When projects partially funded by government extend beyond one year, costs are almost always increased due to inflation factors. *It is the small community that must absorb additional inflationary costs*, and the impact on their relatively small budgets is significant.

Communities stated that *Government funding does not support maintenance costs* for facilities that may be considered quite basic to the needs of the community.

A further complicating factor is the *assignment of additional responsibilities to the community roster without additional funds to administer the tasks*. While communities welcome the responsibility of tending to their own business, it is unrealistic in their minds for government to assume or pretend that community budgets can absorb these costs at no expense to other needed services.

Budget administration, they say, is designed with little consideration given to the impact it has upon community administrators.



PROBLEMS AND OPPORTUNITIES

The community budget cycle, which is directly related to and impacted by government's budgeting process, is not aligned to coincide with that process. This, combined with the uncertainty of grant allocations from one year to the next, makes it extremely difficult for communities to budget much beyond a six-month period.

Communities seem to be hearing a great deal in the way of long-term visions from departments of government, but see very *little coordination of a long-term, overall government plan to deal with change and development*. Communities have acknowledged in council forums that they may not have been sufficiently attentive to opportunities that can be developed through cooperation, rather than competition with neighboring communities. Likewise, they argue, little coordination and cooperation seems to be displayed between government departments, all of which seem to be driven by their own agendas.

Effective planning at the community level depends upon better planning at the provincial government level.

Alberta's communities are definitely looking for leadership and support from the provincial government. Where they are looking for leadership, though, is not in the running of their communities, but of the province for a better environment in which to change and develop. Where they are looking for support, is not in the making of community decisions, but in provision of the tools required for communities to decide and direct their own destiny.

PROBLEMS

the community budget cycle does not coincide with the government budget process

little coordination of a long-term, overall government plan to deal with change and development

effective planning at the community level depends upon better planning at the provincial government level



OPPORTUNITIES

remove the conditions and uncertainties of the existing grant system

provide the information and expertise required to assist them in making the right decisions for their communities

per capita method of funding must either be abolished, or further adjusted to reflect and meet the needs of the communities

provide municipalities with unconditional grants

grants should be indexed for inflation

maintenance requirements should be accommodated in the funding process

royalty revenues from resources should be shared with communities from which they are generated

PROBLEMS AND OPPORTUNITIES

The Opportunities

Alberta's small communities believe government should be a facilitator, and a good administrator, and a prudent regulator; but not a dictator, benevolent or otherwise. The first place government could start in fulfilling this role is to ***remove the conditions and uncertainties of the existing grant system***. Communities are looking to government to not only make funding available, but to ***provide the information and expertise required to assist them in making the right decisions for their communities***.

The indisputable theme throughout the discussions on funding is the cornerstone of the wording for this government role: The ***per capita method of funding must either be abolished, or further adjusted to reflect and meet the needs of the communities***.

The most popular alternative for reform was to ***provide municipalities with unconditional grants*** at levels sufficient to meet the higher costs associated with doing business. To many this implied that grants should no longer come from several departmental sources for the purpose of filling their mandate, but from one central source for the purpose of filling the needs of the communities. Further, ***grants should be indexed for inflation, and maintenance requirements should be accommodated in the funding process***.

Royalty revenues from resources should be shared with communities from which they are generated. These communities support the industry and provide a portion of the infrastructure required. This revenue-sharing would ensure that the infrastructure that supports the revenue is maintained at or expanded to a level compatible with the growth and expectations of the industry.

Flexibility should apply to regulations imposed on communities, and where they cannot be eliminated, ***regulations should be made more sensitive to small communities***. A cited example is the enforcement of codes (e.g., fire and building) that are viewed by the communities as suitable and practical only to large communities.

Government must become more aware of the impact its actions have on the day-to-day lives of small community residents. A specific example is the additional strain placed on communities with the delegation of additional responsibilities. While communities welcome the responsibilities of tending to their own business, ***government funding must provide compensation for execution of additional responsibilities at the community level***.

Alberta's small communities also welcome the opportunities provided through major projects sponsored by government. But they also believe that ***communities should be more effectively represented in planning proceedings for projects that will have a major impact on their residents***.



PROBLEMS AND OPPORTUNITIES

Community leaders said they cannot be expected to look ahead more productively for their communities when they are driven by short-term commitments, and government itself is driven by short-term planning. Neither can government expect communities to work in cohesive cooperation when government departments themselves do not demonstrate cohesiveness in their planning and execution. Communities say ***government must first start with an overall long-term plan for the province*** — one that goes beyond political cycles into the realm of true “visionary” planning. ***Government must then communicate those plans to the communities***, so that they may (a) input those plans; and (b) act on those plans. Finally, ***government must provide communities with longer-term funding commitments, and less program revisions*** that are imposed for the sake of change, rather than further impact. One way to promote this coordination between the provincial government and its communities would be to ***align the fiscal years of the two entities***. Another would be to ***improve communications with communities at a level that addresses a government approach rather than the varying mandates of individual departments***.

OPPORTUNITIES

regulations should be made more sensitive to small communities

funding must provide compensation for execution of additional responsibilities at the community level

communities should be more effectively represented in planning for projects that will have a major impact on their residents

start with an overall long-term provincial plan — communicate that plan to the communities

provide communities with longer-term funding commitments and less program revisions

align the fiscal years of the two entities

communicate a government approach



PROBLEMS

lack of education in
entrepreneurial skills

little information about
emerging business
opportunities and
economic initiatives

field staff oriented only to
program delivery

lack of access to
investment funding

perceived lack of urban-
type amenities hinders
professionals recruitment

limited support for use of
local talent and materials
on government projects

competitiveness for new
economic development
exists between
communities

lack of orientation and
incentive toward
cooperative planning and
development

incapable of obtaining
research and information
as is provided in larger
centers by tourism
experts

PROBLEMS AND OPPORTUNITIES

Stimulating Economic Growth

The Problems

Albertans in small communities would like to enhance their job opportunities and entrepreneurial capabilities. Obstacles were cited which created an unfavorable business and employment climate.

Alberta's small communities openly admit *a lack of extensive knowledge and education in entrepreneurial skills*. They have *very little information about the types of emerging business opportunities and economic initiatives*; how to go about investigating the potential for their communities or business; and the accessibility of knowledge and information. *Most current field staff are oriented to program delivery, and not to improving the capability of small communities to develop and manage local initiatives for the future*. While larger centers have professional staff to do research and investigate potential for development opportunities like tourism, small communities must rely on volunteers.

Even armed with information and expertise, however, most communities believe there is a definite *lack of access to investment funding*. Local residents, although many are affluent, are not traditionally known to be investors in local projects. Financial institutions with which they do their banking have more stringent lending policies for rural communities.

Many provincial programs which have been developed do not create a long-term stable climate for investment in small communities. Some programs were cited which compete with and discourage local business.

Employment growth in rural Alberta is hindered by perceptions that a government or industry job in a small community is a temporary inconvenience, and not a good future career location. They recognize that the *perceived lack of urban-type amenities and conveniences can hinder recruitment of professionals and new business*.

Examples were presented where there was *limited support for use of local talent and materials on government projects*. While a "local advantage" policy may be in place, it is the perception of the small communities that they always lose out to competition from larger centers.

A major problem relates to the traditional *competitiveness for new economic development that exists between communities in close proximity*. Opportunities may be lost if there is *a lack of orientation and incentive toward cooperative planning and development between communities*.

Tourism is the development area where *government needs to provide research and information as is provided in larger centers by tourism experts*.



PROBLEMS AND OPPORTUNITIES

The Opportunities

There was some discussion about the role and needs of the agricultural industry in Alberta. However, solutions were not readily apparent. This was not for lack of regard or concern for the contributions of agriculture. Rather, it was in recognition of changing trends, and the need to investigate alternatives and build on what has been the mainstay of Alberta's many communities. One submission stated:

"Agriculture remains a key contributor to the rural economy, and most small towns and villages have been built upon servicing the surrounding agricultural community. We recognize that the problems facing agriculture today are largely beyond the control of the provincial government, and that the Alberta government has indeed been very supportive of agriculture. Nonetheless, efforts to revitalize the rural economy will be significantly hampered if the agricultural sector is not part of that revitalization." (AAMDC, pg. 8).

Discussions on agriculture also focused on present and future initiatives required by government. The Crow Rate benefit was viewed as assistance to a financially stressed farm sector, and *changes in method of Crow Rate benefit were viewed as opportunities for promoting diversification*. Proponents of this concept cited a "pay the producer" approach as the best way to accomplish both. This, along with a program of *financial assistance for the purpose of value-added processing* was cited as an option to promote diversification. In specific terms, it was suggested that the *government should not unfairly compete in the agricultural processing business, but instead promote value-added processing in the private sector*. *Water usage controls* were also mentioned as needing more realistic handling by government. Several areas of the province suggested that stability and diversification could not occur without a reliable source of good water for crops, livestock and community.

Beyond their interest and concern for the agricultural sector, Alberta's communities are eager for knowledge on emerging industries and new business opportunities which can diversify their economy. Suggestions on how that might be done ranged from:

- expansion of the mandate of the Regional Planning Commission;
- support of local development officers;
- relocation of existing government staff;
- organization of regional economic development authorities.

Overall, communities agreed that *government can play an active part in providing support to, and information on emerging businesses and economic opportunities*. Government, they say, must equalize the opportunities for diversification by providing

OPPORTUNITIES

changes in method of Crow Rate benefit an opportunity to promote diversification

financial assistance for the purpose of value-added processing

do not compete with private sector in agricultural processing — instead promote value-added processing

water usage controls were also mentioned as needing more realistic handling

play an active part in providing support to, and information on emerging businesses and economic opportunities



OPPORTUNITIES

develop an "opportunity network"

better opportunities to participate in government-driven and funded projects

existing taxation and royalty structures should be revised

earmark specific programs for development in areas not within or adjacent to mountains and cities

regulations like those imposed on highway signage, if governed by local municipalities, would encourage tourism

encourage and stimulate local investment in local development

low-interest debentures to finance infrastructure projects

PROBLEMS AND OPPORTUNITIES

greater knowledge, expertise and resources to pursue emerging business opportunities. *Government development of an "opportunity network"* comprising updated information on new industries and technologies was a suggested starting point. *Better opportunity to participate in government-driven and funded projects* was also called for by community representatives.

Forestry, agriculture and tourism received primary focus from participants when discussing diversification opportunities. Communities dependent on the forestry industry focused on opportunities to both improve existing resource utilization and promote diversification and processing. Participants suggested, for example, that *existing taxation and royalty structures should be revised* to support better use of forest resources. Other issues were itemized where government action could assist. These included herbicide bans, excessive environmental controls and development of seedling tree nurseries.

In tourism, most communities felt that *specific programs should be earmarked for development purposes in areas that are not within or adjacent to mountains and cities*. In addition, A *regionally-focused CTAP program* would encourage cooperation between communities and provide more effective use of funds throughout the province. On a more local front, *regulations like those imposed on highway signage, if governed by local municipalities, would encourage tourism*.

Over and above direct funding, Alberta's small communities are looking to government to *encourage and stimulate local investment in local development*. Loan guarantees, venture capital funds and community or regional bond issues were the most prominent among the list of alternatives posed by participants. *Low-interest debentures to finance infrastructure projects* were also suggested by some as a means of providing community capital.

Even further removed from direct funding, people are looking to government to *promote and support the opportunities offered in Alberta's small communities*. A *promotional campaign in and outside of Alberta* would be one means. But even on a more basic level, government people responsible for personnel should *change existing policies so relocations to small communities are presented as an opportunity to enjoy a pleasant lifestyle*. Finally, invitations to participate in *economic trade and development missions should be supported at the community level, just as they are at the industry level*.

Some of Alberta's small communities have discovered in the past that regional cooperative efforts open more doors to development opportunity. Virtually all communities support the position that *government should be instrumental in promoting cooperative*



PROBLEMS AND OPPORTUNITIES

planning and development between communities. As cited earlier, one of the first steps in fulfilling this responsibility would be to enhance economic development expertise, with a focus on improving community capability, down to the community level. A regional development authority would not only meet that end, but would also focus on initiatives at a regional level, such as business skills development, raising of capital and promotion of the capabilities of the area. Alberta's communities support the concept that *government should provide incentives for communities to cooperatively plan and develop local initiatives.*

There were several primary themes that dominated discussions about government as a catalyst to local development initiatives. The more prominent is the principle that *government should facilitate*

OPPORTUNITIES

promote and support opportunities offered in small communities — promotional campaign in and outside Alberta

change existing policies so relocations to small communities are presented as an opportunity to enjoy a pleasant lifestyle

economic trade and development missions should be supported at the community level

be instrumental in promoting cooperative planning and development between communities

provide incentives for communities to cooperatively plan and develop local initiatives

facilitate inter municipal cooperation in local development initiatives.

PROBLEMS

*absence of budgeting
with as much
prudence as that
which is expected by
the communities*

*there are still an
excessive number of
people in the
provincial public
service*

*little input is solicited
from the communities
when government and
its departments devise
their programs*

*excessive controls on
local governments*

PROBLEMS AND OPPORTUNITIES

Showing leadership by example

The Problems

Alberta's small communities want to look to government for leadership in fiscal management.

Government must budget with as much prudence as that which is expected by the communities. Restraint has definitely been heard as the "word of the day." Mega-projects proceed unscathed, while community budgets are either trimmed or burdened with additional responsibilities.

Communities believe there are still an excessive number of people in the provincial public service. As new programs are developed, new branches of government seem to be added to the roster. Meanwhile, communities must operate on a skeleton crew to provide for the needs of the people at the grass roots level.

While local governments must answer daily to the residents of the community when developing and executing community plans and activities, there is *little input solicited from the communities when government and its departments devise their programs.*

Finally, for those who must deal with the bureaucracy on a day-to-day basis in the communities, there is a strong feeling that *provincial government places excessive controls on local governments* — controls which it would not place upon itself for fear they would restrict growth opportunities.

It is important to note here that these concerns were not, in the opinion of the council, expressed in any sort of fashion that suggested wide-sweeping disapproval of the actions of government. For the most part they were generalizations resulting from a few, or even several minor issues in many communities. Minor issues, that is, in the total provincial scheme of things; but not within the scope of the needs and desires of the community.



PROBLEMS AND OPPORTUNITIES

The Opportunities

The key to successful fulfillment of this expectation, leadership by example, lies within all of the problems and concerns expressed within this document. However, there are a few opportunities that would serve as focus in further meeting this particular expectation.

Provide an avenue for *participation at the community level in the structuring of funding for those small communities*. Just as communities must plan to accommodate local interest groups and answer to the residents at the end of the fiscal year, so, too, should the provincial government answer to its people and their communities.

Many community representatives would like to see the size of the public service reduced. Others would be very happy to see *existing human resources decentralized to the "grass roots" where government services are required*, and where government employees can serve the people, rather than serve and preserve the bureaucracy. At the same time, *excesses can be reduced by eliminating overlap and redundancies in programming and overall department mandates*.

Finally, these concerns issue another call for *unconditional funding to provide small communities with the same flexibility as government* to set priorities to meet changing needs. While the level of funding still limits the resourcefulness of small communities, unconditional grants, from a central source unencumbered by department mandates, would provide presently unavailable development alternatives.

Once again, the message that government programs and initiatives should be driven by the goals and needs of Alberta's communities becomes a dominant one in the communities' expectations of government. As well, this role echoes the principle that government should be responsible for the betterment of the province, while the people should be responsible and accountable for the betterment of their communities. In the end, both partners will contribute to a better province.

OPPORTUNITIES

participation at the community level in the structuring of funding

reduce the size of the public service

decentralize human resources to the "grass roots" where government services are required

reduce excesses by eliminating overlap and redundancies in programming and overall department mandates

provide unconditional funding to give small communities the same flexibility as government



STRUCTURE

Service Delivery

Single Desk Access

One Window Access

Decentralization

*Inter departmental
Committees*

Special Action Groups

Electronic Systems

Regional Coordination

Existing Organizations

*Regional
Development
Authorities*

*Coterminous
Boundaries*

*Regional Planning
Commissions*

ALTERNATIVES FOR ACTION

Albertans were clear about their expectations for action to result from the Local Development Initiative process. They did not want another study with recommendations which could not or would not be implemented.

To develop specific local development initiatives, better facilitative structures at the provincial, regional and local level will be required. In addition, financing resources and information systems will need to be identified.

The continuing public review process will include opportunity for consideration of examples of new diversification activities initiated by regions, communities and individuals. It is anticipated that these will demonstrate the shape of future revitalization possibilities.

The following suggested alternatives for structural, financial and information systems will be discussed with communities at public forums prior to final recommendations being prepared.

STRUCTURE

Possible Structures for Coordinated Service Delivery

Single Desk • Many departments and agencies are combined in a local or regional service center, rather than in individual department offices.

One Window • By approaching one department or coordinator, all necessary departments or programs could be accessed.

Decentralization • Restructure individual departments to locate more personnel with more authority at the local or regional level, and fewer in the central offices.

Interdepartmental Committees • Utilize as many interdepartmental committees as necessary to coordinate government initiatives.

Special Action Groups • Using department personnel, government members and private citizens create coordinating and activity groups to accomplish specific tasks.

Electronic Systems • Provide user-friendly, broad public access to a system of inter linked government computers and offices.

Possible Regional Coordination Structures.

Existing Organizations • Develop agreements with other existing regional organizations for the delivery of services, programs and funds at the local level.

Regional Development Authorities/Associations • Establish a regional authority owned and directed by local municipalities, community groups and individuals. The organization would function as an information, training and funding body.

Coterminous Boundaries • Re-align boundaries of key organizations and government agencies involved in local economic development to encourage cooperation and reduced duplication within the regions.



ALTERNATIVES FOR ACTION

Regional Planning Commissions • Expand the mandate and staffing of the Regional Planning Commissions to provide for economic development and program delivery.

Possible Local Development Structures

Community Development Co-ops • Using groups established for the purpose of development, create direct linkages to regional and provincial structures.

Economic Development Committees • Local committees, such as Economic Development Committees and their officers and staff, would be more directly utilized in service delivery and program coordination.

Inter municipal Contracts • Encourage and facilitate agreements between municipalities with the objective of increasing coordination in facilities use and development activities.

FINANCES

Community Development Bonds • Facilitate the creation of local investment groups which would raise funds locally and receive government guarantees for principal and/or interest.

Small Business Equity Corporations • Further create mechanisms for SBECs to be established, owned and directed by local entrepreneurs and municipalities.

Venture Capital Pools • Encourage and facilitate venture capital pool formation through endowment funding or long-term non-interest bearing loans.

Shared Resource Revenues • Provide for a partial return of resource royalty revenues to communities which must develop the infrastructure to support the resource industries.

INFORMATION

Training • Create facilities and programming to ensure better training opportunities for local economic development officers and volunteers.

Opportunity Network • Establish a user-friendly electronic data base for use by communities and individuals looking for contacts, business ideas, technology and expertise.

Regional Libraries • Enhance the capabilities and services of existing facilities to focus on community development issues and support.

Post-Secondary and Extension Coordination • Enhance and financially support institution activities focused on local development in distance education and technology transfer.

Promotion of Small Communities • Actively promote the features of small communities to new entrants to the province. Produce a readily available information base to be contacted by Albertans and others considering relocation.

STRUCTURE

Local Development

Community
Development Co-ops

Economic Development
Committees

Inter municipal Contracts

FINANCES

Community
Development Bonds

Small Business Equity
Corporations

Venture Capital Pools

Shared Resource
Revenues

INFORMATION

Training

Opportunity Network

Regional Libraries

Post-Secondary &
Extension Coordination

Promotion of Small
Communities



APPENDIX

Minister's Council Forum Participation

	<u>Location</u>	<u>Date</u>	<u>Number of Participants</u>	<u>Briefs Submitted</u>	
				<u>(W) Written</u>	<u>(V) Verbal</u>
1.	Edmonton*	July 9th	15	Council of University of Alberta Students (W)	
2.	High Level	July 10th	39	Town of High Level (W) High Level Community Future Committee (W) LaCrete/Area Chamber of Commerce et al (W) Improvement District #23 (W) High Level Pool Committee (W) High level Health Clinic (W) Jeanette Bancarz (citizen) (W) High Level Hospital (W) Fairview College (W)	
3.	Grimshaw	July 11th	42	Dunvegan N. Economic Development (W) Town of Fairview et al (W) Town of Manning (W) Land of the Mighty Peace Tourist Association (W) Lac Cardinal County Economic Development (W) Grimshaw Recreation & Culture Board (W) Town of Peace River (W) Improvement District # 17 West (W) Mackenzie Regional Planning Committee (W) Town of Fairview Council (W) Wayne Claire Fairview School Division (V) Peace River/District Human Services Council (V)	
4.	Falun	July 12th	21	Battle River Planning Commission (W) City of Wetaskiwin (W)	
5.	Daysland	July 13th	41	Village of Alliance (W) Alliance Chamber of Commerce (W) Brian Austrum (citizen) (W) Town of Killam (W) Alliance Tourism Action Committee (W) Adolescent Treatment Centre (V)	
6.	Fort MacLeod	July 17th	30	Town of Vulcan (W) Tom Robert (citizen) (W) Chinook Arch Library Project (W) Community Futures Program (V) Town of Ft. MacLeod (V)	
7.	Beiseker	July 18th	39	Calgary Regional Planning Commission (W) Wild Rose E. C. Community Futures Assoc. (W) Springbank Resident/Landowners Assoc. (W) Sales Association of Canada (W) Marigold Library System (W) Butte's Water Association (V)	
8.	Hanna	July 19th	42	Village of Acme (W) Special Areas Board (W) Craig Berke (citizen) (W) Municipal District of Acadia (V)	
9.	Medicine Hat	July 24th	42	Brooks Downtown Revitalization Comm. (W) S.E. Regional Planning Commission (V)	



APPENDIX

<i>Location</i>	<i>Date</i>	<i>Number of Participants</i>	<i>Briefs Submitted</i>	
			<i>(W) Written</i>	<i>(V) Verbal</i>
10. Taber	July 24th	43	County of Vulcan (W) Vulcan County Regional Econ. Dev. (W)	
11. Calgary*	July 25th	11	Western Canada Wheat Growers Assoc. (W) Calgary Separate School Board (V) University of Alberta Faculty of Nursing (V) Petroleum Industry Training Service (V) Economic Development & Trade (V) Agri Trends Research Inc. (V) Consumers' Association of Canada (V)	
12. Mayerthorpe	July 26th	45	E. Yellowhead Community Futures (W) James O'Dell (citizen) (W) Town of Mayerthorpe (W) Evergreen Country Tourism Council (V)	
13. Edmonton*	August 2nd	24	Tourism Industry Association of Alberta (W) Unifarm (W) Federation of Natural Gas Cooperatives (W) Alberta Urban Municipalities Association (W) Alberta Assoc. of Mun. Districts/Counties (W) Alberta Dairymen's Association (W) Metis Association of Alberta (V)	
14. Vermilion	August 14th	40	Innisfree Home & School Association (W) Community of Bruderheim (W)	
15. Elk Point	August 15th	31	St. Paul/Smoky Lake Comm. Futures Assoc. (W) Elk Point Tourist Action Committee (W) Keith Dorin (citizen) (W) Town of Elk Point (W)	
16. Athabasca	August 16th	47	Blueprint for the Future Comm. Dev. Society (W) Canadian BioMass Consultants Ltd. (W) Municipal District of Westlock (W) Village of Clyde (W) Wabasca/Desmarais Econ. Dev. Society (W) Town of Westlock (W)	
17. Hinton	August 21st	18	Town of Grande Cache (W)	
18. Falher	August 22nd	40	Regional Tourism & Trade Society (W) Louise Couillard (citizen) (W) Town of Falher (W) Village of Girouxville (W) Falher Chamber of Commerce (W) Peace Library System (W) Town of McLennan (W) Walter Paszkowski (MLA) (W)	
19. Beaver Lodge	August 23rd	30	(None)	
20. Grande Prairie*	August 24th	24	Science Alberta Foundation (W) Economic Developers of Alberta (W) Alberta Forest Products Association (V)	



APPENDIX

<u>Location</u>	<u>Date</u>	<u>Number of Participants</u>	<u>Briefs Submitted (W) Written (V) Verbal</u>
21. Bowden	August 28th	50	Economic Development Officers (W) County of Mountainview (W) Town of Lacombe (W) Parkland Regional Library System (W)
22. Castor	August 29th	19	Red Deer Regional Planning Commission (W)
23. Calmar	August 30th	44	Town of Drayton Valley (W) Town of Morinville (W) Agricultural Development Corporation (W)

** Denotes Special Interest Group Meeting*

Additional Non-Forum Submissions

- Mackenzie Regional Planning Commission
- Chinook Arch Library Project
- Irene Basket (citizen)
- Parkland Regional Library System
- County of Ponoka
- Town of High Level
- Peace River Farmers
- Lee Price (citizen)
- Municipal District of Cypress
- Rosebud School of the Arts
- Northwest Economic Initiative/High Level
- Warner and District Chamber of Commerce
- Alberta Women in Support of Agriculture
- Alberta Wheat Pool
- Town of Slave Lake
- Science Alberta Foundation
- Regional Tourist and Trade Society of Falher
- Lac La Biche Mission Historical Society
- Town of Lac La Biche
- Town of Three Hills
- Irene Salisbury (Councillor, High Level)
- Oldman River Regional Planning Commission
- Alberta Forest Products Association
- Alberta Recreation and Parks
- Alberta Association of Canadian Institute of Planners
- Alberta Assoc. of Registered Nurses
- County of Warner
- Town of Grande Cache (Econ. Dev. Officer)



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**MINISTER'S COUNCIL ON
LOCAL DEVELOPMENT**